

# HOUSE BILL No. 1426

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-2-20; IC 35-46-5-1.

**Synopsis:** Income tax deduction for organ donors. Provides a \$10,000 income tax deduction for human organ donation by an individual or an individual's dependent.

**Effective:** July 1, 2004.

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**Orentlicher, Budak, Brown C**

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January 20, 2004, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1426

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-3-2-20 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2004]: **Sec. 20. (a) As used in this section, "deductible expenses"**  
4 **means unreimbursed travel, housing, lost wages, and other**  
5 **expenses incurred by an individual in connection with the donation**  
6 **of a human organ.**

7       **(b) As used in this section, "human organ" means all or a part**  
8 **of the kidney, liver, lung, bone marrow, pancreas, or intestine of a**  
9 **human body.**

10       **(c) As used in this chapter, "individual" means the following:**

11           **(1) An individual who donates a human organ for use in**  
12 **human organ transplantation.**

13           **(2) An individual whose dependent donates, of the dependent's**  
14 **own volition, a human organ for use in human organ**  
15 **transplantation.**

16       **(d) An individual is entitled to a deduction from the individual's**  
17 **adjusted gross income for the taxable year in which the human**



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organ is donated in an amount that does not exceed the lesser of:

(1) the individual's deductible expenses; or

(2) ten thousand dollars (\$10,000).

(e) To obtain the deduction provided by this section, the individual must file with the department proof of the individual's deductible expenses.

(f) An individual may claim only one (1) deduction under this section during the individual's lifetime.

SECTION 2. IC 35-46-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 1. (a) As used in this section, "fetal tissue" means tissue from an infant or a fetus who is stillborn or aborted.

(b) As used in this section, "human organ" means the kidney, liver, heart, lung, cornea, eye, bone marrow, bone, pancreas, or skin of a human body.

(c) As used in this section, "item of value" means money, real estate, funeral related services, and personal property. "Item of value" does not include:

(1) the reasonable payments associated with the removal, transportation, implantation, processing, preservation, quality control, and storage of a human organ; or

(2) the reimbursement of travel, housing, lost wages, and other expenses incurred by the donor of a human organ related to the donation of the human organ; or

**(3) an income tax deduction under IC 6-3-2-20.**

(d) A person who intentionally acquires, receives, sells, or transfers in exchange for an item of value:

(1) a human organ for use in human organ transplantation; or

(2) fetal tissue;

commits unlawful transfer of human tissue, a Class C felony.

SECTION 3. [EFFECTIVE JULY 1, 2004] **IC 6-3-2-20, as added by this act, applies to taxable years beginning after December 31, 2004.**

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